

**441—187.12(234) Payment.** The program administrator or designee shall issue payment to each participant according to the following guidelines:

**187.12(1) Need.** The amount of the PAL stipend shall be based on the needs of the youth as documented in the youth's self-sufficiency plan. Eligibility and the stipend amount shall be based on the best estimate of the youth's income, as determined at least quarterly.

*a.* All earned and unearned income received by the youth during the 30 days before the determination shall be used to project future income. If the 30-day period is not indicative of future income, income from a longer period or verification of anticipated income from the income source may be used to project future income.

*b.* The youth shall timely report the beginning or ending of earned or unearned income. A report shall be considered timely when made within ten days from the receipt of income or the date income ended.

*c.* When the youth timely reports a change in income, prospective eligibility and stipend amount for the following month shall be determined based on the change.

*d.* Recoupment shall be made for any overpayment due to failure to timely report a change in income.

*e.* Recoupment shall not be made when a youth timely reports a change in income and the change is timely acted upon, but the timely notice policy in rule 441—7.7(17A) requires that the action be delayed until the second calendar month following the month of change.

**187.12(2) Amount of monthly stipend.** The monthly stipend shall be based on the foster family basic daily maintenance rate for a child aged 16 or older. The maximum monthly stipend shall be calculated by multiplying the daily rate in 441—subrule 156.6(1) by 365 and dividing by 12.

*a.* The stipend shall be prorated based on the date of entry.

*b.* Effect of income.

(1) When the monthly unearned income of the youth exceeds the maximum monthly stipend, the youth is not eligible for a stipend.

(2) When the net earnings of the youth exceed the maximum monthly stipend, the stipend shall be reduced the following month by 50 cents for every dollar earned over the maximum monthly stipend.

**187.12(3) Payee.** The PAL stipend may be paid to the youth, the foster family, or another payee other than a department employee. The payee shall be agreed upon by the parties involved and specified in the self-sufficiency plan under 187.3(1).

**187.12(4) Start-up allowance.** When a youth is approved for the PAL program, the program administrator or designee may authorize a one-time start-up allowance in addition to the monthly stipend. The start-up allowance:

*a.* Is intended to assist in covering the initial costs of establishing the youth's living arrangement, such as rental and utility deposits, purchase of food, and purchase of necessary household items.

*b.* Shall be based on the youth's income and need as determined according to subrule 187.12(1).

*c.* Shall not exceed the maximum monthly stipend amount.